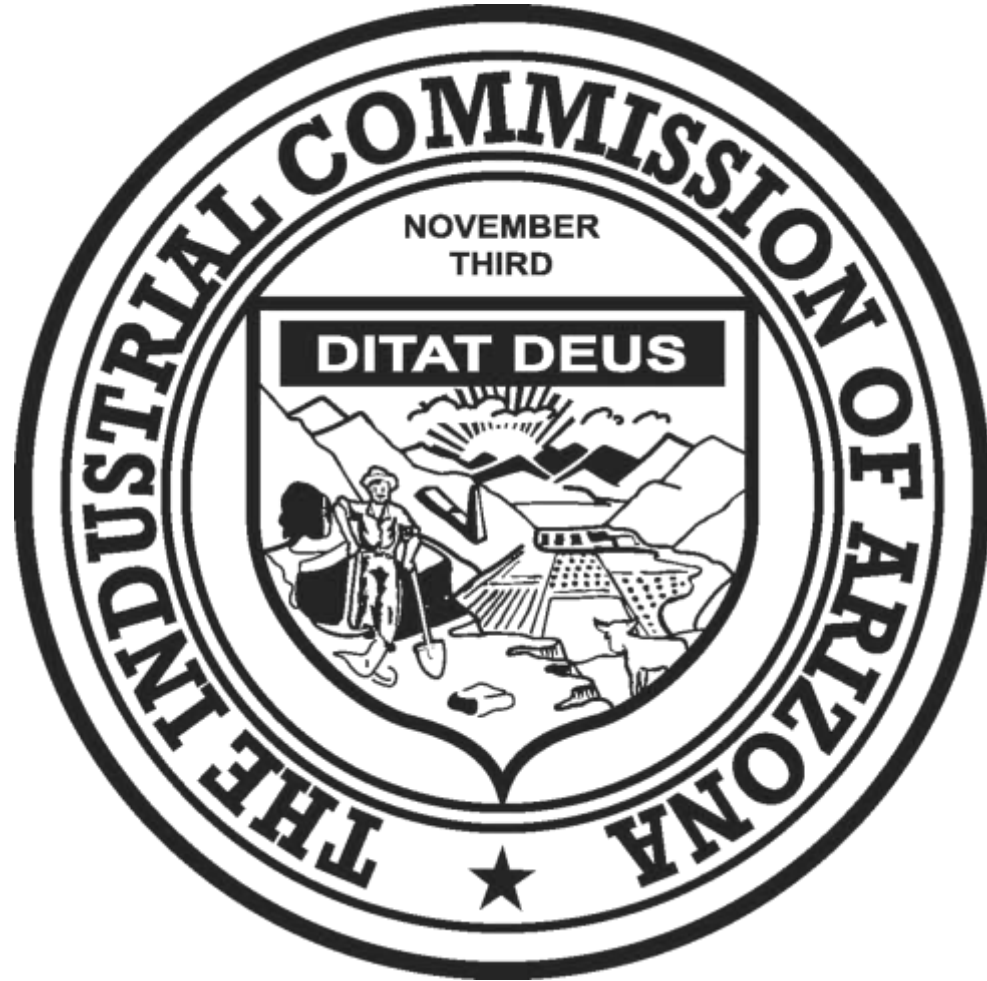


# Average Monthly Wage

Presented By:

Audrika Gavins, Assistant Claims Manager

Lisa Ramirez, W/C Claims Specialist II



# Agenda

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- What is an Average Monthly Wage
- Important factors to know
- How to issue the 104 & 108 establishing AMW
- How to calculate compensation after AMW is established

# What is an Average Monthly Wage?

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- Establishes the Earning Capacity of the Injured Worker for their lifetime
- A person can only have ONE earning capacity
- Once established & final, it never changes
- It is the basis for all payments on the workers compensation claim for their lifetime
- Because of this:

IT IS IMPORTANT to complete a good faith investigation in gathering accurate and complete wage information and to calculate correctly to ensure an accurate and fair earning capacity is established.

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IMPORTANT NUMBERS TO REMEMBER

Minimum AMW:  
\$200 (only used when  
estimating)

Maximum AMW

In the manual

## Maximum Average Monthly Wage

By statute, the Commission reviews and establishes the maximum average monthly wage on a yearly basis. Here is the list of maximum wages pursuant to A.R.S. § 23-1041 on which compensation must be computed:

HISTORY OF AVERAGE MONTHLY MAXIMUMS		
MAX AMW	FOR INJURIES ON OR AFTER	
\$5,030.33	01-01-2021	12-31-2021
\$4,888.56	01-01-2020	12-31-2020
\$4,741.57	01-01-2019	12-31-2019
\$4,625.92	01-01-2018	12-31-2018
\$4,521.92	01-01-2017	12-31-2017
\$4,428.91	01-01-2016	12-31-2016
\$4,337.82	01-01-2015	12-31-2015
\$4,256.94	01-01-2014	12-31-2014
\$4,185.78	01-01-2013	12-31-2013
\$4,062.29	01-01-2012	12-31-2012
\$3,920.75	01-01-2011	12-31-2011
\$3,763.44	01-01-2010	12-31-2010
\$3,600.00	01-01-2009	12-31-2009
\$3,000.00	01-01-2008	12-31-2008
\$2,400.00	08-07-1999	12-31-2007
\$2,100.00	07-01-1991	08-06-1999
\$1,800.00	07-01-1989	06-30-1991
\$1,650.00	01-01-1988	06-30-1989
\$1,325.00	07-31-1980	12-31-1987
\$1,250.00	08-27-1977	07-30-1980
\$1,000.00	11-22-1948	08-26-1977

# Important Numbers in AMW & Compensation

(in the manual)

	Factors to Determine Compensation
30.416	Number of days in an average month. (365 divided by 12 months)
4.333	Number of weeks in an average month. (52 weeks divided by 12 months)
2.167	Number of biweekly pay periods in an average month. (4.333 divided by 2)
60.832	Number of days in two months. Used for maximum benefits under hernia statute. A.R.S. § 23- 1043.
.02137	daily compensation rate prior to August 8, 1973
.021918	Daily compensation rate.
.8219	Daily allowance for dependents (\$25.00 divided by 30.416).
.01151	Daily compensation rate of widows or widowers w/dep.
.6667	66 2/3%

# How to set the AMW

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ISSUING THE 104 & 108

# Temporary Wage

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MINIMUM OF \$200

MUST SET AFTER 30 DAYS



# Accepting a time loss claim with estimated AMW



☒ 1. Claim is accepted.

☐ 2. Claim is denied.

☐ 3. No temporary compensation paid because the claimant has not currently sustained a temporary disability entitlement attributable to this injury beyond seven consecutive days.

☒ 4. Enclosed check for \$\_\_\_\_\_ for period of \_\_\_\_\_ through \_\_\_\_\_. Seven days deducted if disability is less than 14 calendar days. Payment has been made based on 66 ⅔ percent of the wage of **\$200.00** based on the following:

☒ A. Statutory minimum or estimated monthly wage pending determination of Average Monthly Wage within 30 days.

☐ B. Average monthly wage at time of injury (see attached calculation), subject to final determination by the Industrial Commission of Arizona within 30 days.

☐ 5. Return to light duty effective \_\_\_\_\_. Per A.R.S. §23-1044(A) and A.R.S. §23-1062(B) benefits are payable at least monthly. Return to regular duty effective \_\_\_\_\_.

☐ 6. Temporary compensation and active medical treatment terminated on \_\_\_\_\_ because claimant was discharged.

☐ 7. Injury resulted in no permanent disability.

☐ 8. Injury resulted in permanent disability. Amount of permanent benefits, if any, and supportive medical maintenance benefits, if any, will be authorized by separate Notice.

☐ 9. Petition to Reopen accepted.

☐ 10. Petition to Reopen denied.

☐ 11. Other:

MAILED ON: 02/22/YYYY BY: Jane Doe

\_\_\_\_\_(Authorized Representative) Tel. #: 800-867-5309

Copy to: Industrial Commission of Arizona

The insurance carrier/employer will, upon request, provide claimant a copy of the medical report to support Findings 5, 6, 7 or 8.

# Actual Wage

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HOW TO COMPLETE & ISSUE THE 104 & 108



## 104: Establishing Average Monthly Wage

Always #4B

- ☒ 1. Claim is accepted.
- ☐ 2. Claim is denied.
- ☐ 3. No temporary compensation paid because the claimant has not currently sustained a temporary disability entitlement attributable to this injury beyond seven consecutive days.
- ☒ 4. Enclosed check for \$**1,399.02** for period of **02/08/YYYY** through **02/21/YYYY**. Seven days deducted if disability is less than 14 calendar days. Payment has been made based on 66 ⅔ percent of the wage of **\$4,521.92** based on the following:
- ☐ A. Statutory minimum or estimated monthly wage pending determination of Average Monthly Wage within 30 days.
- ☒ B. Average monthly wage at time of injury (see attached calculation), subject to final determination by the Industrial Commission of Arizona within 30 days.
- ☐ 5. Return to light duty effective \_\_\_\_\_. Per A.R.S. §23-1044(A) and A.R.S. §23-1062(D) benefits are payable at least monthly. Return to regular duty effective \_\_\_\_\_.
- ☐ 6. Temporary compensation and active medical treatment terminated on \_\_\_\_\_ because claimant was discharged.
- ☐ 7. Injury resulted in no permanent disability.
- ☐ 8. Injury resulted in permanent disability. Amount of permanent benefits, if any, and supportive medical maintenance benefits, if any, will be authorized by separate Notice.
- ☐ 9. Petition to Reopen accepted.
- ☐ 10. Petition to Reopen denied.
- ☐ 11. Other:

MAILED ON: **02/22/YYYY**

BY: **Jane Doe**

(Authorized Representative) Tel. #: **800-867-5309**

Copy to: \_\_\_\_\_ Industrial Commission of Arizona

# IMPORTANT

# Standard AMW

1 – 8 & #14

No increases

No 2<sup>nd</sup> jobs

No exceptions wage info...

## STANDARD AVERAGE MONTHLY WAGE

INDUSTRIAL COMMISSION OF ARIZONA

Date Mailed: 3-10-19

### AVERAGE MONTHLY WAGE CALCULATION

ICA Case No.: 20030-000011

Soc. Sec. No.: 600-62-1976

Carrier Claim No.: WC100059369

(Subject to Final Determination By The Industrial Commission Upon Issuance  
of Notice of Average Monthly Wage)

Employer: Hobby & Crafts

ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED  
(IF WAGE NOT ESTABLISHED AT MAXIMUM)

Date Injured: 3-1-19

1. CLAIMANT:	<u>Harry Smith</u>	2. OCCUPATION:	<u>Cashier</u>
3. DATE OF HIRE:	<u>1-6-17</u>	4. DEPENDENTS?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
5. EMPLOYMENT STATUS:	<input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR		
5.(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	IF YES, SEE #11.	
6. BASE RATE OF PAY:	\$ <u>12.50</u>	PER:	HOUR DAY WEEK MONTH PIECE RATE
			<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
PER ABOVE:	\$ <u>12.50</u>	x <u>40</u>	= \$ <u>500.00</u> x <u>4.333</u> = \$ <u>2,166.50</u> AVG.
7. ACTUAL EARNINGS 30 DAYS BEFORE INJURY:	\$ <u>1,935.12</u>		
8. EARNINGS WITH INSURED EMPLOYER:	FROM: <u>3-1-18</u>	THRU: <u>2-28-19</u>	
AMOUNT:	\$ <u>24,189.17</u> ÷ <u>365</u> (DAYS) = \$ <u>66.27</u>	x <u>30.416*</u>	= \$ <u>2,015.67</u> AVG.

14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: \_\_\_\_\_ + \_\_\_\_\_ + 8 = \$ 2,015.67

# Max Wage

EASIEST WAGE!!

If it's max, no need to add all that extra detail!

Lines 1-6 & 14

## STANDARD AVERAGE MONTHLY WAGE (STATUTORY MAXIMUM)

INDUSTRIAL COMMISSION OF ARIZONA	Date Mailed:	<u>3-10-20</u>
AVERAGE MONTHLY WAGE CALCULATION	ICA Case No.:	<u>20031-000022</u>
(Subject to Final Determination By The Industrial Commission Upon Issuance of Notice of Average Monthly Wage)	Soc. Sec. No.:	<u>544-62-1976</u>
	Carrier Claim No.:	<u>545469-01</u>
	Employer:	<u>Kitchen Supply Company</u>
<u>ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED</u> (IF WAGE NOT ESTABLISHED AT MAXIMUM)	Date Injured:	<u>1-27-20</u>

1. CLAIMANT:	<u>Harriet Smith</u>	2. OCCUPATION:	<u>Inventory Manger</u>
3. DATE OF HIRE:	<u>2-10-13</u>	4. DEPENDENTS?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
5. EMPLOYMENT STATUS:	<input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR	5.(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO IF YES, SEE #11.
6. BASE RATE OF PAY:	\$ <u>29.00</u>	PER:	HOUR DAY WEEK MONTH PIECE RATE
			<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
PER ABOVE:	\$ <u>29.00</u>	x <u>40</u>	= \$ <u>1,160.00</u>
		x <u>4.333</u>	= \$ <u>5026.28</u> AVG.

14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: \_\_\_\_\_ + \_\_\_\_\_ + \_\_\_\_\_ = \$ 4,888.56

***Maximum allowable pursuant to A.R.S. §23-1041***

# Increase less than 30 days

Lines 1-9 to date of last increase & #14.

If the raise is a routine hourly increase, use the last 30 days prior. (Davis v. ICA)

## INCREASE IN EFFECT LESS THAN 30 DAYS

INDUSTRIAL COMMISSION OF ARIZONA

Date Mailed: 5-1-19

### AVERAGE MONTHLY WAGE CALCULATION

ICA Case No.: 20180-010013

Soc. Sec. No.: 711-22-2525

Carrier Claim No.: W/C-B010

Employer: The Shoe Depot

(Subject to Final Determination By The Industrial Commission Upon Issuance of Notice of Average Monthly Wage)

ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED  
(IF WAGE NOT ESTABLISHED AT MAXIMUM)

Date Injured: 3-1-19

1. CLAIMANT:	<u>Howard Smith</u>	2. OCCUPATION:	<u>Back Stock Lead</u>
3. DATE OF HIRE:	<u>3-5-14</u>	4. DEPENDENTS?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
5. EMPLOYMENT STATUS:	<input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR		
5(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		IF YES, SEE #11.
6. BASE RATE OF PAY:	\$ <u>14.40</u>	PER:	HOUR <input checked="" type="checkbox"/> DAY <input type="checkbox"/> WEEK <input type="checkbox"/> MONTH <input type="checkbox"/> PIECE RATE <input type="checkbox"/>
PER ABOVE:	\$ <u>14.40</u>	x	<u>40</u> = \$ <u>576.00</u> x <u>4.333</u> = \$ <u>2,495.81</u> AVG.
7. ACTUAL EARNINGS 30 DAYS BEFORE INJURY:	\$ <u>2,589.65</u>		
8. EARNINGS WITH INSURED EMPLOYER:	FROM: <u>3-1-18</u> THRU: <u>2-28-19</u>		
AMOUNT:	\$ <u>30,084.21</u> ÷ <u>365</u> (DAYS) = \$ <u>82.42</u> x 30.416* = \$ <u>2,506.89</u> AVG.		
9. DATE OF LAST PAY INCREASE:	<u>2-14-19</u>		IF WITHIN LAST YEAR, COMPLETE #9A
9(A) EARNINGS SINCE INCREASE WITH INSURED EMPLOYER:	FROM: _____ THRU: _____		
AMOUNT:	\$ _____ ÷ _____ (DAYS) = \$ _____ x 30.416* = \$ _____ AVG.		

14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: \_\_\_\_\_ + \_\_\_\_\_ + 7 = \$ 2,589.65

Increase more  
than 30 days

Lines 1 – 9A & 14

Choose the most reflective wage

INCREASE IN EFFECT MORE THAN 30 DAYS					
INDUSTRIAL COMMISSION OF ARIZONA			Date Mailed:	3-30-19	
AVERAGE MONTHLY WAGE CALCULATION			ICA Case No.:	21003-222222	
(Subject to Final Determination By The Industrial Commission Upon Issuance of Notice of Average Monthly Wage)			Soc. Sec. No.:	723-74-1962	
ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED (IF WAGE NOT ESTABLISHED AT MAXIMUM)			Carrier Claim No.:	W/C-B03	
			Employer:	TriStar Construction	
			Date Injured:	3-1-19	
<hr/>					
1. CLAIMANT:		Howard Smith		2. OCCUPATION: Carpenter	
3. DATE OF HIRE:		12-5-15		4. DEPENDENTS? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
5. EMPLOYMENT STATUS:		<input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR			
5(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?		<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO IF YES, SEE #11.			
6. BASE RATE OF PAY:		\$ 17.50 PER: HOUR DAY WEEK MONTH PIECE RATE			
		<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
PER ABOVE:		\$ 17.50 x 40 = \$700.00 x 4.333 = \$ 3,033.10 AVG.			
7. ACTUAL EARNINGS 30 DAYS BEFORE INJURY:		\$ 3,086.60			
8. EARNINGS WITH INSURED EMPLOYER:		FROM: 3-1-18 THRU: 2-28-19			
AMOUNT:		\$ 36,265.40 ÷ 365 (DAYS) = \$ 99.36 x 30.416* = \$ 3,022.13 AVG.			
9. DATE OF LAST PAY INCREASE:		1-14-18 IF WITHIN LAST YEAR, COMPLETE #9A			
9(A) EARNINGS SINCE INCREASE WITH INSURED EMPLOYER:		FROM 1-14-19 THRU 2-28-19			
AMOUNT:		\$ 4,731.95 ÷ 46 (DAYS) = \$ 102.87 x 30.416* = \$ 3,128.89 AVG.			
<hr/>					
14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: _____ + _____ + 9(A) = \$ 3,128.89					

# Part-Time

Lines 1-8 & 14

Since hours may vary, generally line 8 is more reflective.

## PART-TIME

INDUSTRIAL COMMISSION OF ARIZONA

Date Mailed: 3-22-19

ICA Case No.: 20122-403403

Soc. Sec. No.: 710-29-1955

Carrier Claim No.: W/C-A-04

Employer: Paradise Dress To Impress

Date Injured: 3-1-19

### AVERAGE MONTHLY WAGE CALCULATION

(Subject to Final Determination By The Industrial Commission Upon Issuance of Notice of Average Monthly Wage)

ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED  
(IF WAGE NOT ESTABLISHED AT MAXIMUM)

1. CLAIMANT:	<u>Harriet Smith</u>	2. OCCUPATION:	<u>Stocker</u>			
3. DATE OF HIRE:	<u>4-10-15</u>	4. DEPENDENTS?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO		
5. EMPLOYMENT STATUS:	<input type="checkbox"/> STEADY	<input type="checkbox"/> INTERMITTENT	<input type="checkbox"/> SEASONAL	<input checked="" type="checkbox"/> PART-TIME	<input type="checkbox"/> MONTHS PER YEAR	
5(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?			<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	IF YES, SEE #11.	
6. BASE RATE OF PAY:	\$ <u>10.50</u>	PER:	HOUR	DAY	WEEK	MONTH
			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PER ABOVE	\$ <u>10.50</u>	x	<u>20</u>	= \$ <u>210.00</u>	x	<u>4.333</u>
				= \$ <u>909.93</u>		AVG.
7. ACTUAL EARNINGS 30 DAYS BEFORE INJURY:	\$ <u>1,011.80</u>					
8. EARNINGS WITH INSURED EMPLOYER:	FROM:	<u>3-1-18</u>	THRU:	<u>2-28-19</u>		
AMOUNT:	\$ <u>10,927.40</u>	÷	<u>365</u>	(DAYS) = \$ <u>29.94</u>	x	<u>30.416*</u>
				= \$ <u>910.66</u>		AVG.

14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: \_\_\_\_\_ + \_\_\_\_\_ + 8 = \$ 910.66



# Wage Pattern - Less than 30 days employment

An adjuster must provide earnings  
of a minimum of 2 comparable  
employees earnings.

Lines 1-6, 10 & 14

## WAGE PATTERNS AVAILABLE

<b>INDUSTRIAL COMMISSION OF ARIZONA</b>		Date Mailed:	<u>7-2-19</u>
<b>AVERAGE MONTHLY WAGE CALCULATION</b>		ICA Case No.:	<u>20161-600690</u>
(Subject to Final Determination By The Industrial Commission Upon Issuance of Notice of Average Monthly Wage)		Soc. Sec. No.:	<u>112-54-0022</u>
		Carrier Claim No.:	<u>WC-000012B05</u>
<u>ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED (IF WAGE NOT ESTABLISHED AT MAXIMUM)</u>		Employer:	<u>AZ Desert Planting Co.</u>
		Date Injured:	<u>6-3-19</u>

1. CLAIMANT:	<u>Howard Smith</u>	2. OCCUPATION:	<u>Nursery Caretaker</u>
3. DATE OF HIRE:	<u>5-31-18</u>	4. DEPENDENTS?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
5. EMPLOYMENT STATUS:	<input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR	5.(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO IF YES, SEE #11.
6. BASE RATE OF PAY:	\$ <u>11.25</u> PER:	HOUR <input checked="" type="checkbox"/> DAY <input type="checkbox"/> WEEK <input type="checkbox"/> MONTH <input type="checkbox"/> PIECE RATE <input type="checkbox"/>	
PER ABOVE:	\$ <u>11.25</u> x <u>40 = \$450.00</u> x <u>4.333</u> = \$ <u>1,949.85</u> AVG.		

### 10. WAGE PATTERNS OF OTHER EMPLOYEES OF INSURED EMPLOYER:

<u>A (150 Days)</u>	FROM	<u>1-4-19</u>	THRU	<u>6-2-19</u>	\$ <u>11,231.34</u>	AMT.
<u>B (120 Days)</u>	FROM	<u>2-3-19</u>	THRU	<u>6-2-19</u>	\$ <u>9,207.76</u>	AMT.
TOTAL OF ABOVE:	\$ <u>20,439.10</u>	÷ <u>270</u>	(DAYS)	= \$ <u>75.70</u>	× <u>30.416*</u>	= \$ <u>2,302.49</u> AVG.

*Use wage patterns for situations where the injured worker worked less than 30 days prior to the injury and the employer has 2 identical wage patterns available. The wage patterns used must be the same rate of pay as the injured worker.*

14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: \_\_\_\_\_ + \_\_\_\_\_ + 10 = \$ 2,302.49

## NO WAGE PATTERNS AVAILABLE

INDUSTRIAL COMMISSION OF ARIZONA

Date Mailed: 2-12-19

### AVERAGE MONTHLY WAGE CALCULATION

ICA Case No.: 21005-000016

Soc. Sec. No.: 712-39-1012

Carrier Claim No.: 125556900006

(Subject to Final Determination By The Industrial Commission Upon Issuance  
of Notice of Average Monthly Wage)

Employer: Valleywide Garage

ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED  
(IF WAGE NOT ESTABLISHED AT MAXIMUM)

Date Injured: 1-14-19

# No Wage Patterns Available

Small employers may not have 2 comparable employees.

Lines 1-6, 14 & add comment

1. CLAIMANT:	<u>Howard Smith</u>	2. OCCUPATION:	<u>Mechanic</u>
3. DATE OF HIRE:	<u>12-24-17</u>	4. DEPENDENTS?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
5. EMPLOYMENT STATUS:	<input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR		
5.(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		IF YES, SEE #11.
6. BASE RATE OF PAY:	\$ <u>17.20</u>	PER:	HOUR DAY WEEK MONTH PIECE RATE
			<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
PER ABOVE:	\$ <u>17.20</u>	x <u>40</u>	= \$ <u>688.00</u>
		x <u>4.333</u>	= \$ <u>2,981.10</u> AVG.

14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: \_\_\_\_\_ + \_\_\_\_\_ + 6 = \$ 2,981.10

**NOTE:** Additional information which you believe should be considered by The Industrial Commission in making its determination should be submitted to the Commission within ten (10) days.

**\*NOTE:** 1 year = 365 days; 365 days = 12 months = 30.416 days per average month  
(Daily Rate: Average Monthly Wage x .021918 [66 2/3% ÷ 30.416] + dependent allowance, if indicated)

**\*\*\* Per employer, no wage patterns available**

# Pro-Rating Wage Patterns

Only 2 comparable employees are paid different wages than the injured worker.

The formula breaks down the earnings to average hours available

Lines 1-6, 10 and 14

PRO-RATING WAGE PATTERNS									
INDUSTRIAL COMMISSION OF ARIZONA					Date Mailed:		3-3-19		
AVERAGE MONTHLY WAGE CALCULATION					ICA Case No.:		20056-701017		
(Subject to Final Determination By The Industrial Commission Upon Issuance of Notice of Average Monthly Wage)					Soc. Sec. No.:		100-31-1963		
					Carrier Claim No.:		AZ100002355893-0001		
					Employer:		24 Hour Mechanical Garage		
ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED (IF WAGE NOT ESTABLISHED AT MAXIMUM)					Date Injured:		2-10-19		
1. CLAIMANT: Howard Smith					2. OCCUPATION: Tire Repair Tech				
3. DATE OF HIRE: 2-1-17					4. DEPENDENTS? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO				
5. EMPLOYMENT STATUS: <input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR									
5.(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?					<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		IF YES, SEE #11.		
6. BASE RATE OF PAY: \$ 10.50					PER: HOUR DAY WEEK MONTH PIECE RATE				
					<input checked="" type="checkbox"/>				
PER ABOVE: \$ 10.50					x 40 = \$420.00		x 4.333		= \$ 1,819.86
					AVG.				
10. WAGE PATTERNS OF OTHER EMPLOYEES OF INSURED EMPLOYER:									
A (101 Days)		FROM	11-01-18	THRU	2-9-19	\$ 5,539.15 (\$11.50/hour)		AMT.	
B (102 Days)		FROM	10-31-18	THRU	2-9-19	\$ 5,405.83 (\$11.00/hour)		AMT.	
$\begin{aligned} & \$5,539.15 \div \$11.50 \text{ (A)} = 481.67 \text{ hours} \\ & \phantom{\$5,539.15 \div \$11.50 \text{ (A)}} = 973.11 \text{ hours} \\ & \$5,405.83 \div \$11.00 \text{ (B)} = 491.44 \text{ hours} \\ & 973.11 \text{ hours} \div 203 \text{ days (A \& B)} = 4.79 \text{ hours} \\ & 4.79 \text{ (hours)} \times \$10.50 \text{ (base rate of pay)} = \$50.30 \text{ (daily)} \times 30.416 = \$1,517.15 \end{aligned}$									
14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: _____ + _____ + 10 = \$ 1,529.92									
<b>Pronated wage patterns can be used to determine the number of hours the injured worker would have been expected to work had he worked for insured employer more than 30 days before the injury.</b>									

# Other Examples Available

See Manual for calculations

- Temporary Employees
  - Wage is to be set at what that person could work year round.
- Seasonal Employees
  - Must be truly seasonal, occupation is NOT available year-round.
    - Common traps!
      - Holiday Salespeople
      - Farmworkers
    - Did they work elsewhere during the year
- Minor Student
  - Is job open year round?
  - If permanent impairment, must be re-established
  - Minor student penalty may apply (all compensation is paid at 1 ½ times rate, by other awards by ICA).

# Other Examples Available

See Manual for calculations

## ○Teacher – Contract

- AMW is established by only number of days in contract period, not full year.
- Check for concurrent employment

## ○Deducting Periods of Time

- May only be deducted when they had no control over absence and not common and ordinary incident to the particular employment.
  - Ok to deduct: sickness,
  - Not ok to deduct: vacation
  - WHEN IN DOUBT: Call u s- We can help!

## ○Board & Lodging

- The value of extra employment perks are to be added when calculating the AMW

# Concurrent Employment – Multiple Jobs at the same time

We live in GIG economy times!

Is the other employment “covered” i.e. is it a business that pays workers compensation premiums or is it self-directed employment (i.e. uber, postmates)

Covered employment is “ONLY” to be included in the setting of the AMW.

Lines 1-8, 11 & 14

## CONCURRENT EMPLOYMENT

INDUSTRIAL COMMISSION OF ARIZONA

Date Mailed: 3-29-19

### AVERAGE MONTHLY WAGE CALCULATION

ICA Case No.: 22922-980056

Soc. Sec. No.: 773-54-0123

Carrier Claim No.: W/C-B17

(Subject to Final Determination By The Industrial Commission Upon Issuance of Notice of Average Monthly Wage)

Employer: Rich's Fine Dining

ITEMS #1 THRU #9 AND #14 SHALL BE COMPLETED  
(IF WAGE NOT ESTABLISHED AT MAXIMUM)

Date Injured: 3-1-19

1. CLAIMANT:	Howard Smith	2. OCCUPATION:	Cook
3. DATE OF HIRE:	11-30-16	4. DEPENDENTS?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
5. EMPLOYMENT STATUS:	<input checked="" type="checkbox"/> STEADY <input type="checkbox"/> INTERMITTENT <input type="checkbox"/> SEASONAL <input type="checkbox"/> PART-TIME <input type="checkbox"/> MONTHS PER YEAR		
5(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	IF YES, SEE #11.	
6. BASE RATE OF PAY:	\$ 15.00	PER:	HOUR DAY WEEK MONTH PIECE RATE
			<input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
PER ABOVE:	\$ 15.00	x 40 = \$600.00	x 4.333 = \$ 2,599.80
7. ACTUAL EARNINGS 30 DAYS BEFORE INJURY:	\$ 2,572.92		
8. EARNINGS WITH INSURED EMPLOYER:	FROM: 3-1-18	THRU: 2-28-19	
AMOUNT:	\$ 31,258.60 ÷ 365	(DAYS) = \$ 85.64	x 30.416+ = \$ 2,604.83

#### 11. CLAIMANT'S EARNINGS, OTHER EMPLOYERS: (SIMILAR OR DISSIMILAR EMPLOYMENT)

Harry's Place	FROM 12-8-18	THRU 2-28-19	\$ 2,595.65	AMT.
	FROM	THRU	\$	AMT.
TOTAL OF ABOVE:	\$ 2,595.65 ÷ 83	(DAYS) = \$ 31.27	x 30.416+ = \$ 951.11	AVG.

14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS: + 8 + 11 = \$ 3,555.94

# More than 1 employer – Not Concurrent

Earning capacity is measured from the last 365 days prior to date of injury, including other employment through the year.

Lines 1-8, 11, 12 & 14.

1. CLAIMANT:	<u>Howard Smith</u>		2. OCCUPATION:	<u>Laborer</u>	
3. DATE OF HIRE:	<u>10-6-16</u>		4. DEPENDENTS?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
5. EMPLOYMENT STATUS:	<input checked="" type="checkbox"/> STEADY	<input type="checkbox"/> INTERMITTENT	<input type="checkbox"/> SEASONAL	<input type="checkbox"/> PART-TIME	<input type="checkbox"/> MONTHS PER YEAR
5(A) AT TIME OF INJURY, WAS THERE MULTIPLE EMPLOYMENT?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	IF YES, SEE #11.		
6. BASE RATE OF PAY:	\$ <u>13.20</u>	PER:	<input checked="" type="checkbox"/> HOUR <input type="checkbox"/> DAY <input type="checkbox"/> WEEK <input type="checkbox"/> MONTH <input type="checkbox"/> PIECE RATE		
PER ABOVE:	\$ <u>HOURS VARY</u>	x		x	= \$ <u>                    </u> AVG.
7. ACTUAL EARNINGS 30 DAYS BEFORE INJURY:	\$ <u>2,270.00</u>				
8. EARNINGS WITH INSURED EMPLOYER:	FROM:	<u>3-1-18</u>	THRU:	<u>2-28-19</u>	
AMOUNT:	\$ <u>27,279.88</u>	÷ 365	(DAYS) = \$ <u>74.74</u>	x 30.416*	= \$ <u>2,273.29</u> AVG.

## 11. CLAIMANT'S EARNINGS, OTHER EMPLOYERS: (SIMILAR OR DISSIMILAR EMPLOYMENT)

<u>A (106 Days)</u>	FROM	<u>8-27-18</u>	THRU	<u>12-10-18</u>	\$ <u>4,441.56</u>	AMT.
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<u>B (38 Days)</u>	FROM	<u>1-4-18</u>	THRU	<u>2-10-18</u>	\$ <u>2,904.22</u>	AMT.
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TOTAL OF ABOVE:	\$ <u>                    </u>	÷ <u>                    </u>	(DAYS) = \$ <u>                    </u>	x 30.416*	= \$ <u>                    </u>	AVG.
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12. COMBINED EARNINGS FROM ITEMS:	<u>8</u>	+	<u>11</u>	+	<u>                    </u>	+	<u>                    </u>
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TOTAL OF ABOVE:	\$ <u>34,625.66</u>	÷ 365	(DAYS) = \$ <u>94.86</u>	x 30.416*	= \$ <u>2,885.26</u>	AVG.
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(\$27,279.88 + \$4,441.56 + \$2,904.22 = \$34,625.66)

## 13. OTHER MONTHLY REMUNERATION FROM INSURED EMPLOYER:

BOARD & LODGING:	\$ <u>                    </u>	OTHER:	\$ <u>                    </u>	= \$ <u>                    </u>
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14. AVERAGE MONTHLY WAGE ESTABLISHED ON BASIS OF ITEMS:	<u>                    </u>	+	<u>                    </u>	+	<u>12</u>	= \$ <u>2,885.26</u>
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SOLICITATION & REPLYING



# Solicitation



ICA Claims division will solicit for more info or a correction.

Call us if you don't understand the request!

Re: Claimant :  
ICA Case No. :  
Date of Injury :  
Employer :  
Carrier Claim No :

**REFER TO ITEM(S) CHECKED BELOW. YOUR RESPONSE IS REQUIRED WITHIN 14 DAYS. RETURN THIS COPY WITH YOUR REPLY. FAILURE TO RESPOND WITHIN 14 DAYS COULD RESULT IN THE COMMISSION PURSUING AN ALLEGATION OF BAD FAITH.**

- ☐ Notice of first payment of compensation, Form ICA 104.
- ☐ Average Monthly Wage Calculation, Form ICA 108.
- ☐ Are meals included? ☐ Per meal \$ ☐ meals per week
- ☐ Are tips included?
- ☐ Use wage patterns or base-rate if gross earnings are not available for more than 30 days and the injured worker does not have prior earnings from similar employment.
- ☐ Is injured worker employed elsewhere the other months of the year?
- ☐ Send amended copy of 104/108 or fax it to (602) 542-3373
- ☐ Other:

The Claims Division

# Amended Notice

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Issue an Amended Form 104 setting out the new average monthly wage marking #4 B, #11 indicating you are amending the Average Monthly Wage, and attach a revised form 108.



109

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ISSUED BY THE CLAIMS DIVISION

X - Approved  
X - Disapproved  
Dependents  
Yes or No  
(for dependent benefits)

# The 109

BEFORE THE INDUSTRIAL COMMISSION OF ARIZONA P.O. BOX 19070 PHOENIX, ARIZONA 85005 <b>NOTICE OF AVERAGE MONTHLY WAGE</b> Pursuant to A.R.S. Section 23-1061 F, within thirty days after notice from carrier, the Industrial Commission must determine the average monthly wage of an injured employee. The average monthly wage as determined by the Industrial Commission shall be the basis for the payment of all compensation benefits, retroactive to the first day of entitlement.	
<div></div> (Claimant's Name & Address)	Date Mailed: ICA Case No: Date Injured: Carrier Claim No:
AVERAGE MONTHLY WAGE as determined by the insurance carrier: <div><input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved</div> AVERAGE MONTHLY WAGE as independently determined by the Industrial Commission pursuant to 23-1041, to be used retroactively from the first day of entitlement: <div>Dependents <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</div>	\$ 3,475.00 <hr/> \$3,475.00 <hr/> <div>THE INDUSTRIAL COMMISSION OF ARIZONA <hr/>(Authorized Signature) to Commission Resolution A.R.S. 23-108.03</div>
<p>NOTICE TO CLAIMANT: If you do not agree with this NOTICE and wish a hearing on the matter, your written request for hearing must be received at either office of the Industrial Commission listed below within NINETY (90) DAYS after the date of mailing of this NOTICE pursuant to A.R.S. Section 23-941 and 23-947. IF NO SUCH REQUEST FOR HEARING IS RECEIVED WITHIN THAT NINETY DAY PERIOD, THIS NOTICE IS FINAL.</p> <p>AVISO AL RECLAMATA: Si usted no esta de acuerdo con este AVISO, y desea una audiencia en este caso, su peticion por escrito pidiendo una audiencia debera ser recibida en cualquiera de las oficinas de la Comision Industrial a las direcciones abajo indicadas dentro de NOVENTA (90) DIAS despues de la fecha de este AVISO, de acuerdo con las leyes A.R.S. 23-947 y 23-947. SI DICHA PETICION NO ES RECIBIDA DENTRO DEL PERIODO DE NOVENTA (90) DIAS, ESTE AVISO SERA CONSIDERADO FINAL.</p> <div><div></div> (Carrier's Name &amp; Address)</div> <div>Phoenix Office: Industrial Commission of Arizona 800 W. Washington Phoenix, Arizona 85007 Tucson Office: Industrial Commission of Arizona 2675 E. Broadway Tucson, Arizona 85716-5342</div>	

# Compensation Calculations

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TTD & TPD

Temporary Total Disability:  
AKA No work status, unable to work in any capacity. Payable every 14 days  
Calculations of Temporary Total (TTD) compensation using the daily rate:

- Step 1:
  - o Multiply the Average Monthly Wage (AMW) by the factor .021918.
- Step 2:
  - o If the injured worker has any dependents while on TTD \$25.00\* per month or .8219 dollars per day added to the daily rate of comp.
- Step 3: Add Step 1 + Step 2 together for daily rate owed.

T T D	<u>Formula</u>	<u>Example</u>
	AMW	\$4521.92
	<u>X Daily Factor</u>	<u>X .021918</u>
	Daily Amount	\$99.1114
	<u>+ Dep Benefits</u>	<u>+ .8219</u>
	Daily Rate	\$99.93 (rounded)
\$99.93 x 14 days = \$1,399.02 payable every 14 days while on TTD.		

*Equation for TTD calculation*

# Temporary Partial Disability (Light Duty)

In this sample the injured worker was on temporary partial for 22 calendar days and then returned to regular work, the computation would be as follows: Applicant earned \$2,073.39 over the 22 day period of time.

T P D With Earnings	<u>Formula</u>		<u>Example</u>	
		AMW	\$4185.78	
		<u>/ 30.416</u>	<u>/30.416</u>	
		Daily Amount	\$137.62 (rounded)	
		<u>X # of Days</u>	<u>X 22 days</u>	
		Compensation	\$3027.64	
		<u>-Earnings</u>	<u>-2073.39 earnings</u>	
		Loss of Earnings	954.25	
		<u>X .6667</u>	<u>X .6667</u>	
		Compensation Owed	\$626.20 (rounded)	

# Helpful Hints

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# Helpful Hints

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Always include the ICA Claim #, Name, SS# and DOI

Always complete 1-9 & 14 (unless Max)

Choose the MOST REPRESENTATIVE WAGE

DO NOT INCLUDE DOI IN WAGE CALCULATION

Do not include earnings AFTER DOI, even if they kept working

Always issue a 104 w/4B everytime a new 108 is issued

If there's permanent impairment, wage needs to be set even if no time is lost/compensation paid

Earnings from all jobs/employers for 365 days prior to injury should be reviewed to be included

# Helpful Hints

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CALL OR EMAIL US! WAGE CAN BE COMPLICATED, WE CAN HELP!

KNOW WHERE TO FIND THE EXAMPLES IN THE MANUAL

# Thank you

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WAGE Q&A